REMARKS

This Amendment is in response to an Office Action mailed October 16, 2002. In the Office Action, pending claims 3-6, 9-12 and 15-18 have been rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,061,451 issued to Muratani, et al. (Muratani). Applicant respectfully traverses the rejection because a *prima facie* case of anticipation has not been met. The undersigned attorney respectfully requests the supervising attorney, who is now responsible for the handling of this case, to contact him at the telephone number listed below if further discussion would further facilitate the prosecution of this case.

In order to anticipate a claim under §102(e), Muratani must teach every element of the claim. "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in the civil prior art reference." *See Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d, 1051, 1053 (Fed. Cir. 1987). Upon review, it is apparent that Muratani does not describe each and every element set forth in independent claims 3, 9 and 15 as well as those claims dependent thereon. Before traversing the grounds for rejection, a brief description of the set top unit (50) and security model (70) of Muratani is set forth below.

As illustrated on Figure 2 of Muratani, the set top unit (50) features a receiver-demodulator (52), a scramble circuit (54), a descramble circuit (56), a demultiplexer (58), an MPEG decoder (60), and a key control circuit (62). The security module (70) comprises a descramble circuit (72) and an authentication/access controller (74).

When data is supplied from the receiver/demodulator (52), the key control circuit (62) generates the scramble key for the second scramble process (S_a) and corresponding descramble key. *See column 5, lines 31-34 of Muratani*. The key control circuit (62) then supplies the scramble key and descramble key to the scramble circuit (54) and the descramble circuit (56), respectively. *See column 5, lines 34-36 of Muratani*. The scramble circuit (54) performs a second scramble process (S_B) by using the scramble key supplied by the key control circuit (62).

See column 5, lines 45-47 of Muratani. The output of the scramble circuit (54) is supplied to the descramble circuit (72) of the security module (70).

The descramble circuit (72) performs a first descramble process (D$_A$) on the data supplied from the set top unit (50) using the descramble key supplied from the authentication/access controller (74) and transmits the descrambled data back to the set top unit (50). *See column 5, lines 51-55 of Muratani*. The service provider who transmits the digital image data previously writes a descramble key corresponding to the first scramble process (S$_A$) into the authentication/access controller (74). The controller (74) is handed to a user upon contraction. *See column 5, lines 55-58 of Muratani*.

In the set top unit (50), the descramble circuit (56) performs the second descramble process (D$_B$) on the input data using the descramble key supplied from the key control circuit (62). Thus, the original MPEG encoded digital image data is reproduced. The MPEG encoded digital image data is decoded and output into a user's terminal. *See column 6, lines 3-11 of Muratani*. The operations of the set top unit (50) in combination with the security module (70) are described on column 6, lines 12-53 of Muratani.

With respect to claim 3, Applicant respectfully submits that the *prima facie* case of anticipation has not been met because Muratani fails to describe the local key is generated from a programmable user key according to an authorization code. According to the Office Action, it alleges that the claimed "local key" corresponds to the descramble key supplied by the authentication/access controller (74). *See page 2, last full paragraph of the Office Action*. This descramble key, however, is directly written into the authentication/access controller (74). There is no teaching that it is either (i) generated from a programmable user key or (ii) generated from a programmable user key according to an authorization code.

In addition to the grounds for traverse set forth above, Muratani further provides no teaching of authentication code received via a communication channel. It appears that the prior Examiner contended that the communication channel is equivalent to the network (102) of

Muratani which is taught to provide scrambled content, not authentication code. *See Figure 5;* *input into receiver/demodulator in Figure 2 of Muratani.* In light of the foregoing, Applicant respectfully requests that the §102(e) rejection be withdrawn for claim 3 and all claims depending thereon.

With respect to independent claim 9, Applicant respectfully submits that the *prima facie* case of anticipation has not been met. The prior Examiner alleged that the "descrambler" as claimed is equivalent to the descramble circuit (D_A). The local key is considered by the prior Examiner to be the descramble key loaded into the controller (74). *See Page 3 of the Office Action (alleged support for rationale for rejection in column 5, lines 51-64 of Muratani).* Based on this analysis, Applicant respectfully submits that the "key generator," which is alleged to be the key control circuit (62) by the prior Examiner, is <u>not</u> coupled to the descrambler (descramble circuit (D_A)).

Moreover, Applicant further submits that the key control circuit (62) does not generate the local key from a user key according to an authorization code provided by the content provider as set forth in claim 9. Muratani further fails to teach a communication interface coupled to the key generator to receive the authentication code via a communication channel. Network (102) and the moderator (104) do not provide teachings of such coupling. In light of the foregoing, Applicant respectfully requests that the §102(e) rejection be withdrawn for claim 9 and all claims depending thereon.

With respect to claim 15, Applicant respectfully submits that the *prima facie* case of anticipation has not been met because Muratani neither teaches nor suggests a second program to generate the local key from a programmable user key because the alleged local key, apparently being the descramble key set forth on column 5, lines 50-58 of Muratani, as alleged in the Office Action, is not generated. In response to the foregoing, Applicant respectfully requests that claim 15 and all claims depending thereon are in condition for allowance.

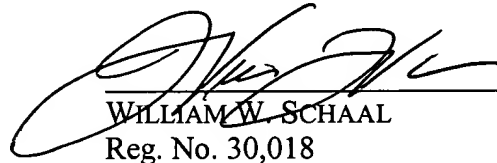<u>VERSION WITH MARKINGS TO SHOW CHANGES MADE</u>

No amendments have been made to the claims.

CONCLUSION

In view of the amendments and remarks made above, it is respectfully submitted that all

pending claims are in condition for allowance, and such action is respectfully solicited.

Respectfully submitted,

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Dated: <u>January 14, 2003</u>

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CERTIFICATE OF MAILING

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Assistant Commissioner for Patents, Washington, D.C. 20231 on: <u>January 14, 2003</u>.

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Corrinn R. Reynolds   Date